

FISCAL NOTE

SB 393 - HB 1002

March 12, 1997

SUMMARY OF BILL: Enacts the *Tennessee Sustainable Forest Management Act of 1997*. Directs the Governor to appoint a committee of representatives from the Department of Tourism, Division of Forestry, and the Department of Environment and Conservation to (1) develop a plan identifying recreational activities, unique ecological, geological, historical or archeological sites, and fragile areas which would need protection; (2) propose a budget for the promotion of recreational and ecological values, including a funding structure; and (3) develop steps to insure minimum impacts to air and water quality and wildlife from increased visitation.

The Division of Forestry is directed to (1) conduct an inventory of all state forests to identify old growth areas and unique geological, ecological, historical and archeological sites; (2) conduct public hearings; (3) create demonstration programs for the purpose of assisting landowners on forest management and educational programs for students in grades K-12.

Prohibits the harvesting of timber on state-owned forest land during the 10 year inventory period. Following establishment of old growth areas future harvesting cannot exceed fifteen hundreds of one percent of the total acreage of each forest each year.

Requires a feasibility study by the University of Tennessee regarding establishment of a forest products laboratory and technology center.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$350,000

Increase State Expenditures - \$342,000 FY97/98 - 06/2007

- Estimated revenue loss from limiting harvest of timber to not more than fifteen hundreds of one percent of the total acreage of each forest is \$350,000 annually.
- Estimated cost to inventory each forest and conduct ecological and archaeological surveys is \$342,000 a year for each of the 10 years of the inventory period.

For information purposes, the cost to operate a Forest Products Center at the University of Tennessee is estimated to be approximately \$450,000. Bill does not mandate the operation of such center .

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director